

15 December 1965

Gentlemen:

Subject: Contract [REDACTED]

The contract referenced above was the subject of our discussion during our recent visit to you. Our discussions were concerned with the technical difficulties encountered and their resulting effect on delivery and cost.

At the time of preparing our proposal a complete and detailed layout was not prepared; and, therefore, the complete interaction of all the design objectives were not fully anticipated. Our decisions throughout the design phase were made in order to meet the design objectives rather than produce an item that would not represent an advancement in the capability of existing light tables. An excellent example of this was the mensuration equipment. We proposed to supply a standard [REDACTED] microscope table. After we received the contract, we also obtained more detailed information on the rhomboid attachments for the microscopes which would mount on the table. A detailed layout proved we could not focus all of these lenses on the film because of the thickness of the microscope table. Rather than accept the lesser goal we designed a new thinner table. Manufacturers and consultants told us this table would not meet specified design goal accuracy requirements.

We abandoned our design and began studies of various methods of meeting the space limitations and accuracy requirements. We prepared and submitted several technical proposals in writing and orally covering solutions to these problems. All of these were rejected for various technical or operational reasons.

After several discussions with various manufacturers and a trip to [REDACTED] a new approach was formulated wherein a portion of the [REDACTED] table was integrated with the microscope carriage mount and casting. While we now feel this design will meet all of the design goals, the extensive engineering and studies on this problem have increased our costs and delayed the program.

Several other difficulties and conflicting design objectives were realized after award of the contract and the detailed design was undertaken. Some of them were removed by compromise, but others caused greater design cost than were envisioned. For example:

- (1) Our proposal over simplified the tracking light source problems. We did not give sufficient consideration to the exact size of the components and the general illumination source plus all of the movements, their separation and exact depth available for the tracking light source.
- (2) Under normal circumstances, the three microscopes and their associated various rhomboid attachments would be mounted on an assembled frame, however, we found it necessary to provide a rugged casting to meet the design objectives.

- (3) The 45° tilt in the X axis and the 75° tilt in the Y axis in a 9-inch height, which includes a light source and an integral film transport mechanism for table No. 1, was a far more difficult task than ever anticipated.

In general, we had planned to use standard available items and arrived at our price on the basis, but in order to meet the design goals many special new designs were required.

Our present position is one of having designed three light tables which we feel will fulfill the design objectives, but in so doing we have not met the schedule, nor the financial commitment anticipated.

The new delivery schedule based on vendor deliveries of special designed components is:

Table No. 1 - 14 March 1965

Table No. 2 - 4 April 1965

Table No. 3 - 16 May 1965

Attached you will find schedules for the effort to be completed on each of the light tables and a summary of the total man power necessary to complete the contract.

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In the past [REDACTED] has had a record of performance of which we need not be ashamed. However, this contract has caused us to be in a situation which is less than desirable. In order to complete this contract we will have to spend the total contract price [REDACTED] (See attached Estimate to complete and Financial Summary).

On the basis of our previous record of performance and on the fact that this contract was let on a FP Research and Development contract, we request financial help to complete this contract. We realize that additional financial help is difficult under Fixed Price Type contracting, but perhaps a review of the terms and conditions and the Work Statement would reveal that a cost type contract would have been more equitable and reasonable.

When we first realized that we were going to have financial problems, the magnitude of the over expenditure was such that we had planned to absorb any expenditures above the contract price. It was only after it was estimated that our expenditure would increase to the point as stated above that we even considered asking for help. Therefore, please consider our request for extension of delivery and our request for financial help in order that this contract may be brought to a successful completion.

Very truly yours,

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Contract Administration

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Next 5 Page(s) In Document Exempt

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